PIONEER VALLEY TRANSIT AUTHORITY

Schedule of Expenditures of Federal Awards and OMB A-133 Auditor's Reports

Year Ended June 30, 2013

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pioneer Valley Transit Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Adelson + Company PC

ADELSON & COMPANY PC

September 17, 2013

PIONEER VALLEY TRANSIT AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Transportation			
Federal Transit Administration			
Direct programs			
5307 and 5309 Cluster Program			
Section 5307			
Capital and planning assistance	20.507	MA-90-X425	$ 514,201
Capital and planning assistance	20.507	MA-90-X541	1,237,345
Capital and planning assistance	20.507	MA-90-X567	722,943
Capital assistance	20.507	MA-90-X594	730,693
Capital and planning assistance	20.507	MA-90-X612	2,116,393
Paratransit ADA assistance	20.507	MA-90-X629	375,539
Preventive maintenance assistance	20.507	MA-90-X629	1,511,492
Paratransit ADA assistance	20.507	MA-90-X645	419,658
Capital assistance	20.507	MA-90-X645	2,625,368
Paratransit ADA assistance	20.507	MA-90-X694	1,316,411
Preventive maintenance assistance	20.507	MA-90-X694	1,115,714
American Recovery and Reinvestment Act capital assistance	20.507	MA-66-X002	349,708
American Recovery and Reinvestment Act capital assistance	20.507	MA-96-X002	127,497
Subtotal 5307			13,162,962
Section 5309			
Capital assistance	20.500	MA-03-0248	59,002
Capital assistance	20.500	MA-02-0230	183
Capital assistance	20.500	MA-04-0038	34,919
Capital assistance	20.500	MA-04-0063	14,404
Capital assistance	20.500	MA-04-0057	29,812
Subtotal 5309			138,320
Total 5307 and 5309 Cluster Program			13,301,282
Other direct programs			
Section 115 Capital assistance	20.205	MA-15-X004	322,942
Section 115 Capital assistance	20.205	MA-15-X007	56,415
Section 5316 Job Access Reverse Commute	20.516	MA-37-X023	8,886
Section 5317 New Freedom	20.521	MA-57-X021	57,137
Department of Homeland Security capital assistance	None	2009-RA-T9-0044	301,473
Department of Homeland Security capital assistance	None	2010-RA-T9-0044	12,891
Subtotal other direct programs			759,744
Total direct programs			14,061,026
Passed through Massachusetts Department of Transportation			
Section 5310 Capital assistance	20.513	MA-16-X005	111,280
Section 5311 Operating assistance	20.509	MA-19-X052	32,671
Total pass through programs			143,951
Total expenditures of federal awards			$ 14,204,977

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NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2013

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Pioneer Valley Transit Authority under programs of the federal government for the year ended June 30, 2013. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of Pioneer Valley Transit Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Pioneer Valley Transit Authority.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

PIONEER VALLEY TRANSIT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2013

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? yes [✓ no]
- Significant deficiencies identified that are not considered to be material weaknesses? yes [✓ none reported]

Noncompliance material to financial statements noted? yes [✓ no]

Federal Awards

Internal control over major programs:

- Material weaknesses identified? yes [✓ no]
- Significant deficiencies identified that are not considered to be material weaknesses? yes [✓ none reported]

Type of auditor's report issued on compliance for major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes [✓ no]

Identification of major programs:
See detail on Schedule of Expenditures of Federal Awards

CFDA Number	Federal Grantor
Cluster	Federal Transit Administration Cluster:
20.500 and 20.507	Section 5309 Capital Assistance
	Section 5307 Operating, Capital and Planning Assistance

Dollar threshold to distinguish between type A and type B programs: $426,149

Auditee qualified as low-risk auditee? [✓ yes] no

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no findings for the year ended June 30, 2013

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for the year ended June 30, 2013.

STATUS OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for the prior year ended June 30, 2012.